

HB3547



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3547

Introduced 2/24/2011, by Rep. Mary E. Flowers

SYNOPSIS AS INTRODUCED:

305 ILCS 5/8A-3.5a new

Amends the Public Assistance Fraud Article of the Illinois Public Aid Code. Provides that providers and suppliers of healthcare services under the State's medical assistance program shall be screened by the Department of Healthcare and Family Services prior to being accepted by the State as service providers. Contains provisions concerning screening measures; payment audits; and mandatory compliance plans.

LRB097 05466 KTG 45525 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Aid Code is amended by
5 adding Section 8A-3.5a as follows:

6 (305 ILCS 5/8A-3.5a new)

7 Sec. 8A-3.5a. Medical assistance abuse and waste;
8 screening measures for providers and suppliers.

9 (a) Providers and suppliers of healthcare services under
10 the State's medical assistance program shall be screened by the
11 Department of Healthcare and Family Services prior to being
12 accepted by the State as service providers. Screening measures,
13 the cost of which may be covered by charging application fees,
14 shall include, but not be limited to:

15 (1) Application of accreditation standards.

16 (2) Proof of business integrity.

17 (3) Full disclosure of ownership and business
18 interests.

19 (4) An initial provisional period with enhanced
20 oversight.

21 (5) Onsite verification.

22 (6) Periodic recertification.

23 (b) Medical assistance payments to providers and suppliers

1 of healthcare services under the medical assistance program
2 shall be reviewed and audited at regular intervals to ensure
3 that payments are linked to changes in the marketplace, medical
4 practice, and medical technology to avoid wasteful
5 overspending and ensure appropriate payments for the items and
6 services covered. The appropriate oversight agencies for the
7 State shall utilize information technology, including
8 databases that are coordinated with other relevant databases,
9 and claims-processing mechanisms that are effective in
10 detecting improper claims before they are paid.

11 (c) Each provider and supplier of healthcare services under
12 the medical assistance program shall file a mandatory written
13 compliance plan as a condition of participation in the program.
14 The compliance plan shall list and describe in writing the
15 policies and procedures that will be implemented to ensure
16 compliance with federal and State regulations and other
17 requirements designed to control fraud, waste, and abuse,
18 including procedures to protect the anonymity of complainants
19 and to protect whistleblowers from retaliation. Each provider
20 and supplier of healthcare services under the medical
21 assistance program shall designate a compliance officer and a
22 compliance committee to monitor the compliance plan, and shall
23 establish a mechanism, such as an anonymous and confidential
24 hotline, to receive, record, and respond to compliance
25 questions.

26 (d) Each provider and supplier of healthcare services under

1 the medical assistance program, and the appropriate oversight
2 agencies of the State, shall respond swiftly to detected
3 frauds, promptly remedy program vulnerabilities, and impose
4 sufficient punishment to deter fraud by medical assistance
5 providers and suppliers.